GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:2738
ANSWERED ON:01.08.2002
LOSS MAKING PRODUCTION UNITS
RAMJI LAL SUMAN;SUSHIL KUMAR INDORA

Will the Minister of RAILWAYS be pleased to state:

(a) whether there are several production units under his Ministry which have been incurring financial losses for the last so many years;

(b) if so, the details thereof alongwith the average annual loss suffered by the Ministry on account of these units;

(c) whether the Government propose to allow investment by the private sector in these units; and

(a) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI BANDARU DATTATRAYA)

(a) No, Sir. The six production units under the Ministry of Railways are in-house production organizations, operating on a "no-profit no-loss" basis. The full cost of production is transferred to the consuming units by way of appropriately fixed transfer prices for the various items that are manufactured.

(b) Does not arise.

(c) These units are only wholly owned by Indian Railwaysfor their in-house captive production. There is no proposal, at present, under consideration for investments by private sector in these units.

(d) Does not arise.